

## Message Text

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46 S

ACTION NEA-06

INFO OCT-01 SS-14 ISO-00 SSO-00 NSCE-00 EB-03 SP-02 L-01

INR-05 CIAE-00 DODE-00 PM-03 INRE-00 PRS-01 NSC-05

/041 W

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O 181557Z MAR 75

FM AMEMBASSY BEIRUT

TO SECSTATE WASHDC IMMEDIATE 3418

INFO AMEMBASSY AMMAN IMMEDIATE

AMEMBASSY DAMASCUS IMMEDIATE

AMEMBASSY JIDDA IMMEDIATE

AMCONSUL DHAHRAN IMMEDIATE

C O N F I D E N T I A L BEIRUT 3387

LIMDIS

E.O. 11652: GDS

TAGS: ENRG, ELTN, JO, LE, SA, US

SUBJECT: TAPLINE APPROACH TO TRANSIT GOVERNMENTS

REF: STATE 58984 (JIDDA 1876) AND 59121

SUMMARY: TAPLINE TODAY INFORMED GOL IT MUST REACH FINAL DECISION ON TAPLINE'S FUTURE WITHIN THREE MONTHS AND OFFERED NEGOTIATE WITH ALL GOVERNMENTS CONCERNED. PROMISED CONTINUE DELIVERIES (FROM STOCKS) TO MEDRECO FOR THREE MONTHS IN EXPECTATION OF AGREEMENT ON PAYMENT OF AT LEAST \$12.55 PER BARREL. TAPLINE ACTED WITHOUT CONSULTING EMBASSY BUT LATER VOLUNTEERED COPY OF LETTER TO EMBASSY AND AGREED STAY IN TOUCH. END SUMMARY.

1. DAVID DODGE, TAPLINE BEIRUT, AND MAJID ELASSS, TAPLINE VP FOR GOVT RELATIONS BASED DHAHRAN, TODAY PRESENTED TAPLINE LETTER TO GOL PRIMIN DATED MARCH 17 TO GOL OILMIN ABU SHARAF STATING THAT  
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TAPLINE MUST REACH FINAL DECISION ABOUT PERMANENT

CLOSURE OF TAPLINE WITHIN THREE MONTHS AND STATING THAT TAPLINE "PREPARED BEGIN NEGOTIATIONS PROMPTLY WITH ALL GOVERNMENTS INVOLVED" TO FIND SOLUTION ENABLING TAPLINE CONTINUE OPERATIONS. DURING THREE MONTHS, TAPLINE WILL CONTINUE CURRENT DELIVERIES TO MEDRECO REFINERY IN EXPECTATION OF AGREEMENT WITH GOL ON PAYMENT UNDER TERMS OF MAY 17, 1952 AGREEMENT AND AT PRICE SUFFICIENT TO COVER CURRENT TAPLINE COSTS OF \$12.55/BARREL. LETTER ALSO NOTS, INTER ALIA, THAT GOL CRUDE DEBT "OVER \$100 MILLION". FULL TEXT VOLUNTEERED BY TAPLINE TO EMBASSY, WITH COMMENT THAT SIMILAR LETTERS APPROPRIATELY MODIFIED PRESENTED GOVERNMENTS OF JORDAN AND SYRIA TODAY. BEING FORWARDED BY SEPTEL.

2. TAPLINE OFFICIALS TOLD EMBOFF THEY SUGGESTED TO OILMIN THAT THE TRANSIT GOVERNMENTS APPROACH SAG ABOUT PROBLEM (DODGE - PROTECT - SAID JORDANIANS SEEING SAG MARCH 23). THEY SAID LETTER NOT INTENDED AS ULTIMATUM BUT AS NOTICE THAT TAPLINE UNABLE REESOLVE TAPLINE PROBLEM AND MUST CLOSE UNLESS GOVERNMENTS CONCERNED DO SOMETHING.

3. OILMIN'S REACTION DESCRIBED AS "PROPER", UNEMOTIONAL AND NON-COMMITTAL. LATTER WILL INFORM PRIME MINISTER SOLH AND WEEKLY CABINET MEETING MARCH 19 PROBABLY WILL DISCUSS PROBLEM. TAPLINE'S ELASS, DESCRIBED AS CHIEF TAPLINE CONTACT MAN WITH SAG, PROBABLY WILL RETURN DHAHRAN MARCH 19. DODGE SAID GOL REACTION WILL TAKE A FEW DAYS TO BECOME CLEAR AND PROMISED KEEP EMBASSY INFORMED OF DEVELOPMENTS. HE SAID OILMIN AND TAPLINE AGREED KEEP LETTER SECRET, ALTHOUGH IN USUAL COURSE OF EVENTS IT CAN BE EXPECTED TO BE LEAKED, POSSIBLY IN DISTORTED FOR.

4. COMMENT IN BRIEF DISCUSSION WITH EMBOFF, TAPLINE OFFICIALS APPEARED TO BELIEVE THEY HAD SUCCESSFULLY TRANSFERRED PROBLEM TO GOL WITHOUT PROVOKING  
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VIOLENT REACTION. THIS REMAINS TO BE SEEN.  
GODLEY

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## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** NEGOTIATIONS, PETROLEUM PIPELINES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 18 MAR 1975  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** KelleyW0  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
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**Reference:** 75 STATE 58984, 75 (JIDDA 187AND, 75 59121  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** KelleyW0  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 12 AUG 2003  
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**Subject:** TAPLINE APPROACH TO TRANSIT GOVERNMENTS  
**TAGS:** ENRG, ELTN, JO, LE, SA, US, TAPLINE  
**To:** STATE  
**Type:** TE  
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